GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1373
ANSWERED ON:01.08.2000
WAIVING OF INTEREST ON FUNDS
PRAVEEN RASHTRAPAL

Will the Minister of COAL be pleased to state:

(a) whether the Government of Andhra Pradesh has asked for waiving of interest on the funds provided to Singareni Collieries;

(b) if so, the details in this regard;

(c) whether the interest has been waived of;

(d) if so, the quantum thereof;

(e) whether such waiving of interest would apply on other projects also; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE FOR COAL (SHRI N.T.SHANMUGAM)

(a) to (d): Yes, Sir. The Government of Andhra Pradesh hadwritten to the Central Governmentto waive an outstanding interest of Rs.663.34 crores (as on 31.3.97) accrued on the Government of India loans to Singareni Collieries Company Limited (SCCL)On consideration of the proposal within an overall financial package for revival of the company, the Central Governmenttook the following decisions:-

i) A moratorium on payment of the outstanding interest of Rs.663.34 crores upto 31.3.2007 was allowed to SCCL during the VIII Plan period for a period upto 31.3.2007.

ii) SCCLwas allowed the facility of payment of the amount of Rs.663.34 crores in 10 annual and equal instalments starting from the financial of 2007- 08.

iii) The payment of the amount representing the penal interest and interest on interest accruing on the Central Government loans to SCCL during the period from 1.4.97 to 31.3.99 was waived.

(e): No. Sir.

(f): Does not arise in view of answer given to part (e) of the question.